

Message Text

CONFIDENTIAL

PAGE 01 THE HA 04936 01 OF 02 091801Z

43

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 PM-07 INR-10 L-03 NEA-10

NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 USIA-15 TRSE-00

SAJ-01 SS-20 NSC-10 H-03 ACDA-19 IO-14 OMB-01 EB-11

SCEM-02 COME-00 AEC-11 AECE-00 DRC-01 EURE-00 /173 W

----- 081414

P R 091556Z NOV 73

FM AMEMBASSY THE HAGUE

TO USMISSION NATO PRIORITY

INFO SECSTATE WASHDC PRIORITY 2334

SECDEF WASHDC

USCINCEUR

USNMR SHAPE

C O N F I D E N T I A L SECTION 1 OF 2 THE HAGUE 4936

E.O. 11652: GDS

TAGS: MCAP, NL, NATO

SUBJ: DRC MULTILATERAL REVIEW: NETHERLANDS

REF: (A) USNATO 5318; (B) USNATO 4835; (C) THE HAGUE 4594

1. SUMMARY: THIS MESSAGE COMMENTS ON DPQ 1973 AND PROVIDES MORE GENERAL BACKGROUND ON RECENT GON DEFENSE EFFORT. IN VIEW TENTATIVE NATURE DUTCH DEFENSE BUDGET AND UNCERTAINTY ABOUT NEW GOVERNMENT'S LONG-RANGE DEFENSE POLICY PENDING APPEARANCE WHITE PAPER, NOVEMBER 13 REVIEW MAY BE LESS USEFUL THAN USUAL. WE RECOMMEND USNATO (A) TAKE LINE THE DUTCH PERFORMING CREDITABLY DESPITE EARLIER PREDICTIONS OF DRASTIC DEFENSE CUTBACKS UNDER SOCIALIST GOVERNMENT AND (B) ENCOURAGE GON TO AT MINIMUM MAINTAIN CURRENT DEFENSE POSTURE. MISSION MIGHT ALSO CAPITALIZE ON CURRENT DUTCH PREOCCUPATION WITH ME, I.E. ARAB OIL BOYCOTT, BY STRESSING ADEQUATE DEFENSE POSTURE ESSENTIAL IN LIGHT OF RECENT ME EXPERIENCE. MISSION MAY ALSO WISH TO CONSIDER SUGGESTING
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 THE HA 04936 01 OF 02 091801Z

ANOTHER REVIEW ONCE DEFENSE WHITE PAPER PUBLISHED.

END SUMMARY:

2. PENDING APPEARANCE OF DEFENSE WHITE PAPER, REF C PROVIDES BEST OUTLINE OF PROBABLY THRUST OF DUTCH DEFENSE EFFORT OVER NEXT FEW YEARS. GON WILL PROBABLY DECIDE REPLACE STARFIGHTER WITH COBRA BUT THINKS OF FIRST DELIVERY IN 1980. GON WILL PROBABLY NOT PURCHASE LANCE. IT WILL PROBABLY REPLACE ALL HOLLAND AND FRIESLAND CLASS DESTROYERS BY 1985. IT WILL ALSO PARTICIPATE IN NEW EDIP AS MEANS OF BEING RESPONSIVE IN BURDEN-SHARING CONTEXT. GON REPLY TO DPQ 1973 IS FACTUAL AND REALISTIC WITHIN TIME-FRAME NOTED AND RESOURCE PARAMETERS. REPLY DOES NOT LOOK BEYOND 1974 SINCE MAJOR DEFENSE DECISIONS IN ABEYANCE PENDING DEFENSE WHITE PAPER INCORPORATING RESULTS OF NATO SPECIALIZATION STUDIES. THOUGH 1974 BUDGET SHOWS SLIGHT DECLINE IN DEFENSE EXPENDITURES FROM PREVIOUS YEARS, DEFENSE MINISTER VREDELING FOUGHT HARD AND SUCCESSFULLY TO PREVENT FURTHER REDUCTIONS. BREDELING'S COMMENTS DURING RECENT NPG ALSO INDICATE HIS AWARENESS OF NEED FOR ADEQUATE DUTCH DEFENSE POSTURE.

3. DUTCH DEFENSE EXPENDITURES AS PERCENTAGE OF GNP WILL BE 3.7 PERCENT IN 1973, APPROXIMATELY SAME LEVEL AS 1972. ALTHOUGH DUTCH DEFENSE EXPENDITURES DECLINED STEADILY FROM EARLY '69S UNTIL 1970, SINCE THEN THE PERCENTAGE SEEMS TO HAVE STABILIZED ALTHOUGH THE TREND STILL APPEARS TO BE DOWN. NETHERLANDS GNP PER CAPITA IS LOWER THAN THAT OF ANY OTHER CENTRAL EUROPEAN OR NORTHERN FLANK COUNTRY EXCEPT UK. CHANGES IN EXCHANGE RATES HAVE RESULTED IN AN INCREASE IN DUTCH GNP PER CAPITA IN TERMS OF US DOLLARS. NEVERTHELESS DUTCH FIGURE IN DOLLARS IS STILL CONSIDERABLY BELOW THAT OF US. DUTCH DEFENSE EXPENDITURES PER CAPITA EXCEED THOSE OF BELGIUM, DENMARK AND LUXEMBOURG BUT ARE BELOW THOSE OF OTHER CENTRAL EUROPEAN NATO COUNTRIES AND NORWAY.

4. IN CURRENT PRICES NETHERLANDS' TOTAL DEFENSE EXPENDITURES HAVE CONTINUED TO INCREASE SINCE THE EARLY '60S AND THE RATE OF INCREASE HAS BEEN PARTICULARLY CONFIDENTIAL

CONFIDENTIAL

PAGE 03 THE HA 04936 01 OF 02 091801Z

STEEP SINCE 1969 RESULTING IN ANNUAL INCREASE OF AROUND 12 PERCENT FOR MOST YEARS. IN CONSTANT PRICES DUTCH EXPENDITURES HAVE EXHIBITED A MODERATE INCREASE SINCE 1966. ALTHOUGH GON IS COMMITTED TO DEFENSE ECONOMIES AND CURRENT GOVERNMENT HAS STATED DEFENSE EXPENDITURES NEED NOT KEEP PACE WITH GROWTH OF GNP, ABOVE FIGURES SUGGEST THERE WILL BE NO DRASTIC CUTBACKS IN 1974 AS HAD BEEN FEARED. 1974 DEFENSE EXPENDITURES

WILL TOTAL 2.106 BILLION DOLLARS. THIS REPRESENTS
8.8 PERCENT INCREASE IN CURRENT PRICES BUT .5 PERCENT
DECLINE IN CONSTANT PRICES.

5. IN RECENT YEARS, APPROXIMATELY 40 PERCENT OF DUTCH
DEFENSE EXPENDITURES HAVE BEEN DEVOTED TO ARMY, WITH THE
REMAINDER ALMOST EQUALLY DIVIDED BETWEEN THE NAVY, AIR
FORCE AND ESTABLISHMENT-WIDE ACTIVITIES. IN SAME PERIOD
TOTAL CAPITAL EXPENDITURES HAVE RANGED BETWEEN 17 TO 20
PERCENT OF TOTAL EXPENDITURES WITH MAJOR EQUIPMENT AND
AMMUNITION ACCOUNTING FOR ALL BUT AROUND 2 TO 3 PERCENT.
MILITARY PERSONNEL EXPENDITURES HAVE REMAINED STEADY AT
41 PERCENT OF TOTAL EXPENDITURES THROUGHOUT THIS PERIOD,
WHILE REMAINING OPERATION EXPENDITURES HAVE ACCOUNTED
FOR 39 TO 41 PERCENT OF THE TOTAL.

6. PERSONNEL: DECISION WILL BE ANNOUNCED IN WHITE PAPER
BUT DEFENSE MINISTER DESIRES REDUCE TERM OF CONSCRIPTION
TO 12 MONTHS. MAINTENANCE OF CURRENT STRENGTH LEVELS
WITH A 12-MONTH TERM OF CONSCRIPTION WILL TEND TO
INCREASE PERSONNEL COSTS WHICH IS CONTRARY GON DESIRE.
THERE IS POSSIBILITY SHORTER PERIOD OF CONSCRIPTION COULD
LEAD TO REDUCTION IN NUMBER OF RNA ACTIVE UNITS AND
CORRESPONDING INCREASE IN NUMBER OF RIM (READILY AVAILABLE
MOBILIZABLE) UNITS.

7. EQUIPMENT. IN ADDITION TO RESULTS OF NATO SPECIALI-
ZATION STUDIES, GON IS NOW ACTIVELY ENGAGED IN STUDYING
LESSONS LEARNED IN RECENT MIDDLE EAST CONFLICT AND WILL
BE ATTEMPTING TRANSFER THIS CONFLICT TO NORTH GERMANY
PLAIN SCENARIO, PARTICULARLY REGARDING ROLES OF ARMOR,
TACTICAL AIR FORCE AND ANTI-TANK AND ANTI-AIR MISSILES.
PROCUREMENT PROCEDURE FOR REPLACEMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 THE HA 04936 01 OF 02 091801Z

OF PIPER CUBS FOR 1ST (NL CORPS) WILL PROBABLY
BE DIRECTED TO CANDIDATE HELICOPTERS EQUIPPED WITH

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 THE HA 04936 02 OF 02 091813Z

43

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 PM-07 INR-10 L-03 NEA-10

NSAE-00 PA-04 RSC-01 PRS-01 SPC-03 USIA-15 TRSE-00

SAJ-01 SS-20 NSC-10 H-03 ACDA-19 IO-14 OMB-01 EB-11

SCEM-02 COME-00 AEC-11 AECE-00 DRC-01 EURE-00 /173 W

----- 081590

P R 091556Z NOV 73

FM AMEMBASSY THE HAGUE

TO USMISSION NATO PRIORITY

INFO SECSTATE WASHDC PRIORITY 2335

SECDEF WASHDC

USCINCUER

USNMR SHPAE

C O N F I D E N T I A L SECTION 2 OF 2 THE HAGUE 4936

TOW-TYPE MISSILE. IN GENERAL, RNA HAS MADE CONSIDERABLE
PROGRESS IN ITS EQUIPMENT MODERNIZATION PROGRAM
OVER PAST SEVERAL YEARS. IF GOALS AS SET FORTH IN
DPQ ARE MET, WE WOULD CONSIDER REAL PROGRESS WILL
HAVE BEEN MADE.

8. NAVY. WHILE DUTCH NAVY COMMITS ALL OF ITS FORCES
AVAILABLE TO NATO, HOLLAND AND FRIESLAND CLASS DESTROYERS
ARE OBSOLETE AS ARE COASTAL ESCORTS (PC). THIS MEANS
THAT OF 18 DDE/PC COMMITTED, ONLY THE 6 VAN SPIJK CLASS
DE'S CAN BE CONSIDERED A MODERN FORCE. GON HAS
INDICATED IT WILL BEGIN CONSTRUCTION OF 4 OF THEIR NEW
MISSILE-EQUIPPED STANDARD FRIGATES IN 1974 WITH SECOND
SERIES OF 4 FRIGATES TO BE ORDERED SHORTLY AFTER CON-
TRACTING THE CONSTRUCTION OF THE FIRST 4 SHIPS. TWO
NEW DDG'S PRESENTLY UNDER CONSTRUCTION SHOULD HELP GREAT DEAL
BEGINNING IN 1975 TIMEFRAME. REPLACEMENT
OF THE P2 NEPTUNE AND AUGMENTATION OF 8 BREGUET ATLANTIQUE
LONG-RANGE MARITIME PATROL A/C SQUADRON SHOULD
ALSO BE ACCOMPLISHED AT EARLIEST POSSIBLE DATE. SELECTION
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 THE HA 04936 02 OF 02 091813Z

OF COMMON HELICOPTER FOR OPERATIONS WHICH MAY BE USED
FOR GENERAL UTILITY PURPOSES IS ALSO SOLID REQUIREMENT.
SELECTED HELICOPTER SHOULD COME INTO INVENTORY BY 1976
TO REPLACE OBSOLETE HELICOPTERS NOW IN SERVICE.

9. AIR FORCE. RNLAFF IS PRESSING FOR GOVERNMENT
APPROVAL TO ACQUIRE SEVERAL NEW WEAPONS SYSTEMS AND

SUPPORTING EQUIPMENT (REPLACEMENT AIRCRAFT, ECM, IMPROVED MUNITIONS) WHICH WILL SIGNIFICANTLY IMPROVE OVERALL FORCE CAPABILITY. ALTHOUGH DECISION ON STARFIGHTER REPLACEMENT PENDING, RESULTS OF LENGTHY AND COMPREHENSIVE STUDY OF CANDIDATE AIRCRAFT ARE AVAILABLE TO DEFENSE MINISTER. RNLAf STUDY HAS EMPHASIZED IMPORTANCE OF AIR SUPERIORITY AND INDICATES CLEAR SUPERIORITY OF COBRA OVER ANY OTHER CANDIDATE AIRCRAFT. IN ORDER TO IMPROVE SURVIVABILITY OF PRESENT FORCES UNTIL REPLACEMENT, RNLAf IS PROGRAMMING INSTALLATION OF ECM IN STRIKE F-104G AND RF-104G AIRCRAFT. FINAL NEGOTIATIONS ARE ALSO IN PROGRESS ON INSTALLATION OF ALQ-126 IN 3 SQUADRONS OF AIRCRAFT.

10. AIRCRAFT SHELTERS. EMBASSY OBSERVERS CONCUR WITH GON REPLY. WORK IS IN PROGRESS AT DESIGNATED BASES AND IS ABOUT 70 PERCENT COMPLETE AT VOLKEL WHICH SHOULD PERMIT PROGRAMMED COMPLETION AT THIS BASE EARLY IN 1974. PROTECTIVE SHELTERING OF THE REMAINING 30 PERCENT OF THE AIR FORCE (50 AIRCRAFT) WILL IMPROVE COMBAT POSTURE SIGNIFICANTLY.

11. IMPINGING POLITICAL FACTORS. AS RESULT ARAB OIL BOYCOTT AND (FROM GON POINT OF VIEW) DISTRESSING LACK OF EC SOLIDARITY WITH DUTCH ON VL ISSUE, WE DETECT SIGNS OF RESURGENT ATLANTICIST SENTIMENT AMONG SOME KEY DUTCH DECISION-MAKERS. WE THINK SECDEF'S DISCUSSIONS WITH PM, FONMIN MOD AND ECONMIN DURING VISIT TO THE HAGUE FOR NPG MAY HAVE HELPED REINFORCE THESE SENTIMENTS. THUS THERE SOME POSSIBILITY GON, DESPITE PRESSURE FROM EXTREME LEFT WING OF LABOR PARTY AND RADICALS, MAY MOVE MORE CAUTIOUSLY ON DEFENSE CUTBACKS, ESPECIALLY WHEN THEY WEIGH EFFECT OF CUTBACKS ON US-DUTCH RELATIONSHIP. MOREOVER, IN BELEAGUERED
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 THE HA 04936 02 OF 02 091813Z

ATMOSPHERE OIL BOYCOTT HAS INDUCED IN NETHERLANDS, WE NOTICE SOME MUTING OF EXTREME LEFT'S CALL FOR DEFENSE ECONOMIES. THIS MAY BE EVANESCENT PHENOMENON BUT SHOULD BE EXPLOITED. OTHER SIDE OF THE COIN, IS THAT SHOULD OIL BOYCOTT CONTINUE FOR CONSIDERABLE PERIOD. RESULTING IN UNEMPLOYMENT AND SERIOUS ECONOMIC DISLOCATION, HARD-PRESSED DUTCH GOVT MIGHT HAVE TO REAPPRAISE CONTINUATION OF DEFENSE EXPENDITURES AT A LEVEL WHICH MANY IN NETHERLANDS CONSIDER MORE THAN SUBSTANTIAL.
GOULD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 NOV 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973THEHA04936
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: n/a
From: THE HAGUE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731143/aaaabffa.tel
Line Count: 274
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: (A) USNATO 5318; (B) USNATO 4835; (C,) THE HAGUE 4594
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 03 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: WITHDRAWN <21-Aug-2001 by boyleja, REFER TO OSD>; RELEASED <03-Oct-2001 by boyleja>; APPROVED <03-Oct-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DRC MULTILATERAL REVIEW: NETHERLANDS
TAGS: MCAP, NL, NATO
To: NATO BRUSSELS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005